



Peter Lewis
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MoJ ref: ADR67182

27 March 2019

Dear Peter,

PROBATE FEES

Thank you for your letter of 12 March regarding the potential impact of the proposed probate fees on charities. I appreciate your interest in these proposals and welcome the opportunity to address your concerns.

The Probate Service helps ensure the estate of a deceased person is passed on to the rightful beneficiaries and plays a vital role in tackling suspected fraud, duress and navigating complex cases, working with the Judiciary to provide a valued service to the public. It is right that this service is funded by those who benefit from it.

In 2017/18, the running costs of the courts and tribunals service was approximately £1.8bn. Less than half of that was recovered in fees (£710m). The proposed fee structure helps to rebalance the contribution to the service between the taxpayer and the direct user. Section 180 of the Anti-social Behaviour, Crime and Policing Act 2014 enables the Government to charge a fee above the cost of a service, and this additional income will be reinvested in the courts and tribunals. HMCTS supports many vulnerable people and victims, and the proposed probate measures will help to maintain a service that is free for those court users most in need. For example, we currently charge no fees for domestic violence protection orders and non-molestation orders, and for cases before the First-tier Tribunal concerning mental health.

In setting this fee we have taken every step to ensure that it is proportionate. By increasing the estate value threshold from £5,000 to £50,000, we have lifted an additional 25,000 estates every year out of paying any fee at all. The proposed banded fee structure ensures that the fee is affordable for all users. Of those who do pay, 60% will pay a fee of £250, comparable to the current fee. Only 1% of those who pay - those with estates worth over £2m - will pay the highest fee.

I understand that your concern may stem from the potential impact on the charitable beneficiaries of more valuable estates, who will pay the higher fees of £750 and above. I want to reassure you that the fees for

these estates will never amount to more than 0.5% of the value of the estate. With this in mind, we have assessed that there will not be a substantial impact on any individual beneficiary. The Government works to support charitable giving, but it would not be practical for the Probate Service to apply different sets of fees for those estates that include a charitable donation.

Unfortunately, due to parliamentary business and other pressures on my time, I will not be able to discuss these issues with you in person, but I do hope that this letter has provided some reassurance and clarity in addressing your concerns.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Lucy Frazer', written over the printed name below.

LUCY FRAZER QC MP